

THE DIRECTOR OF
CENTRAL INTELLIGENCE

National Intelligence Officers

9 March 1983

NOTE FOR DISTRIBUTION

FROM : NIO for Narcotics

SUBJECT: Narcotics Warning Meeting

Attached is the assessment prepared on the basis of the Community views expressed at the 24 February Warning Meeting.

You or your representative are invited to attend the next warning meeting scheduled for 1400 hours, Monday, 21 March, in Room 7E62, CIA Headquarters. Please provide your representative's name and clearances to our office by COB 17 March .

Distribution

White House	- Philip Hughes
State	- Jon Wiant
DIA	-
Treasury	- Art Long
NSA	-
NSC	- Philip Dur & Michael Guhin
USCG	- Admiral Venzke & James Haas
DEA	- Gary Liming
FBI	- John Stone
INS	- John Camp

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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

NIC 1598-83
9 March 1983

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

THROUGH : National Intelligence Officer for Warning

FROM : David D. Gries
National Intelligence Officer for Narcotics

SUBJECT : Narcotics Warning Assessment

The following items were discussed by Community Representatives at the 24 February Warning Meeting.

I. Warning -- There are no narcotics related warning topics at this time.

II. Regional Developments

A. [] CIA reported that a final draft [] 25X1
[] on the implications for the marketplace of disrupting opium supplies 25X1
the US might be available by the end of May. Tentative plans [] 25X1
[] include CIA, State, and DEA each drafting one case study of 25X1
previous US supply interruption situation. Conclusion -- where the data
warrant -- will be drawn showing US market responses for both near and long-
term. Representatives briefly discussed a rough, informal draft of the
proposed concept paper, terms of reference, and a sample outline for each case
study.

B. Deputy Assistant Secretary of State Clyde Taylor presented an overview of the recent Vienna UNCNB Conference and reported that there is support for increased emphasis on initiatives to control cocaine use in Italy, Sweden, Norway, Spain, and Peru. Italy insisted that crop substitution will not work unless governments comply with treaty obligations. Conference resolutions on drug mislabeling, ship registration, and amendments to the Psychotropic Convention were passed. Other issues under consideration included the possibility of an UNFAC Donor Meeting. DAS Taylor said the current position on the Single Convention on Narcotics and the Psychotropic Convention is to address inadequacies in both and amend the treaties through consensus procedures. Action programs continue on demand reduction, transit problems, scientific research, opiates supply, and the area of illicit drug reduction.

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Implications for Collection and Analysis -- DAS Taylor reported that opportunities to consult with other delegates is a major benefit to US participants, and said that it is important to note which countries send representatives. Ken Quinn at the USUN Mission will be a good point of contact for information on analysis which may be of use to US delegates at the next annual meeting.

C. [] CIA discussed her recent trip to Colombia. 25X1
[] there is an unexplained Colombian cocaine market 25X1
glut without an accompanying US retail price reduction, and suggested that a warning assessment should be considered if the situation continues for the next six to twelve months or less. Interest may also be focused on rather incomplete information that local insurgents are becoming more involved in narcotics trafficking and may have used profits to expand bases and arms inventories. US mission officials [] concurred that Colombian 25X1
narcotics eradication programs and plans finish low on a list of President Betancur's priorities. Of primary concern are economic considerations, domestic security/common crime, foreign relations, and a continuation of present policies. [] the most promising approach to 25X1
narcotics control in the area involves steps to improve intelligence to permit seizure of large shipments, action against drug financing outside the country, more emphasis on implementation of treaties to extradite offenders to the US, and for the US "to set an example." [] the trip was 25X1
highly productive and commented on the cooperation and assistance of all 25X1
members of the Mission. [] 25X1
[] 25X1

III. Plans for Interagency Work

A. John Wiant of State spoke on a possible estimate to address the significance of the European Cocaine situation. Mr. Wiant and other representatives suggested that principle trafficking routes into Europe be considered along with a focus on links to international organized crime. Possible European terrorist connections and the implications of bi- and multi-lateral US aid programs were also mentioned.

B. [] CIA discussed the outline for a primer on 25X1
collection of financial flow information and exploitation of 25X1
vulnerabilities. [] drafters from CIA, DEA, and 25X1
Treasury plan to complete the project by early April. Current views for major emphasis include: total revenue from illicit drugs sales, recipients of profits, methods by which revenues are laundered, and exotic methods of transferring funds. The aim is to explain how financial flows move so that field collectors from DEA, CIA and others can attack vulnerabilities in the system.

C. [] the Intelligence Community Staff reported that 25X1
the National HUMINT Collection Plan has gone to principals for coordination.

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